



**Banking on
NEW MEXICO**

A Public Bank for Santa Fe

*an initiative of WeArePeopleHere!
(a 501C3 organization)*

A History of the Public Bank Initiative in Santa Fe

January 2011

In the darkest hours of the economic downturn that had begun in 2008, one hundred fifty people began meeting at the Collected Works Bookstore in downtown Santa Fe, to attend a seven-week lecture series entitled *“Democracy at the Crossroads and The Evolution of Civilization”* delivered by journalist, author and social commentator Craig Barnes.

Craig based his talks on four books: Bruce Lipton’s *The Biology of Belief*, Richard Wilkinson and Kate Pickett’s *The Spirit Level*, Robert Reich’s *Aftershock*, and his own *Democracy at the Crossroads*.

Craig’s lectures offered the framework for a new American story; one more truthfully portraying the reasons for our successes and our prospects; and one pointing the way to putting “the civil back into civilization.”

As the lectures progressed, attendees encountered a recurring theme in the struggle for democracy and human dignity, first formally recorded in 1898 when Dr. Jose Rizal, a leader in the battle for Philippine independence, cried out: “We are people here!”

The phrase “we are people here” animated revolutions in Latin America, Africa and Asia, and the Women’s Rights and Civil Rights Movements in the 20th Century. By the 21st Century, “We are people here” captured the depth of a fast-growing fracture between citizens and the globalized mega-institutions threatening their individualism and their independence.

When Craig Barnes’ lecture series concluded in March, 2011, lecture attendees recognized that they were not just an “audience” but a community of shared values, (nonviolence, civility, integrity and compassion). Calling their collective [“We Are People Here!”](#), they continued to meet and examine the fundamental causes of the erosion of our democracy and society and to seek ways that erosion could be reversed. And Craig Barnes continued to lead this grassroots initiative.

Fall of 2012

Through the course of their conversations, participants in WeArePeopleHere! grew to understand that the behavior of “Too Big To Fail” Global Banks contributed not just to the financial crisis beginning in 2008. That behavior was also accelerating the transfer of money, and with it local power, from the working poor and middle classes to a shrinking number of super-rich individuals and the enterprises they control. Locally owned banks, locally owned businesses, and local political power and independence were fast disappearing.

WeArePeopleHere!, applying the principle “think globally, act locally”, agreed to join forces with the emerging national public banking movement. Several Cities and States were already working to show how local control and local public ownership of a bank can stabilize, strengthen and grow a community’s economy. WeArePeopleHere! created an initiative, [Banking on New Mexico](#), to research that opportunity here at home.

Early 2013

During the January 2013 State Legislative session, through Banking on New Mexico, [WeArePeopleHere!](#) actively supported New Mexico State Representative, Brian Egolf's legislative proposal to establish a New Mexico State Bank. Egolf's proposal was similar to the highly successful public bank, the Bank of North Dakota, founded in 1919 to break eastern banks' stranglehold on North Dakota's agricultural economy. Today, the Bank of North Dakota is still owned by the people of North Dakota and has, for nearly a century, contributed to that States strong and growing economy. Aggressive lobbying helped defeat Representative Egolf's legislation and made it clear that if New Mexico is to have a public bank, we would have to start at the local level.

Late Winter 2013 – Spring 2013

[WeArePeopleHere!](#) led by Craig Barnes, conversed with mayoral candidate Javier Gonzales about what a public bank could mean to Santa Fe. The candidate began to include the idea that our City should explore a public bank in descriptions of his vision for the future of Santa Fe.

June 2014

Following Mayor Gonzales' inauguration, [WeArePeopleHere!](#) and a national organization, the [Public Banking Institute](#), briefed the Mayor, members of the City Council and civic leaders, about public banking, how a public bank could be established and what it could mean to the City. Following that meeting, Mayor Gonzales announced he wanted the city to issue a request for qualifications to conduct a feasibility study.

August 2014

The City of Santa Fe formally called for expert proposals to conduct a study on the feasibility of a public bank for Santa Fe.

September 2014

[WeArePeopleHere!](#), in cooperation with the [Public Banking Institute](#), conducted a national symposium in Santa Fe, the [Banking On New Mexico Symposium: Funding Local, Sustainable Economies](#), hosted by Mayor Gonzales and the City of Santa Fe on Saturday, September 27. National and international symposium speakers included: economist, professor and author, Richard Wolff; author and President Emeritus of the Public Banking Institute, Ellen Hodgson Brown; German banker, Thomas Keidel, Director, Financial Market

Relations, German Savings Banks Association; author and Executive Director of the Public Banking Institute, Gwendolyn Hallsmith; and Mike Krauss, Chairman, Board of Directors, Pennsylvania Public Bank Project. More than a dozen New Mexican officials also spoke at the Symposium.

October 2014

With the success of the symposium, [Banking On New Mexico](#) became the primary initiative of [WeArePeopleHere!](#), operating under its 501(c)3 umbrella.

January 2015

The Santa Fe City Council granted Building Solutions LLC (Principal, Katie Updike), working with the Arrowhead Center at NMSU, a contract to investigate the business, financial and economic feasibility of a public bank in Santa Fe.

June 22, 2015

Building Solutions LLC principal Katie Updike presented a draft of the Phase I consensus document developed through research, meetings with City officials and staff, [Banking on New Mexico](#) and many financial and other experts.

July 8, 2015

Building Solutions LLC principal Katie Updike presented to the City Council an update on the content and structure of her feasibility study on a public bank for Santa Fe and indicated The Arrowhead Center would receive her work for further economic analysis in the early Fall of this year.

November 23, 2015

David Buchholz of the Rodey Law Firm, among New Mexico's oldest and most respected firms, provided a definitive legal opinion that New Mexico Constitutional and Civil Law and financial regulations permit the chartering of a public bank.

January 13, 2016

The City of Santa Fe released its Public Bank Feasibility Study, which found that the City's Administration should continue to pursue its initiative to create a public bank. The announcement was made by Mayor Javier Gonzales in a press conference.

January 22, 2016

Banking on New Mexico (BoNM) officially released its Five-Year Model Supporting a Public Bank for Santa Fe. BoNM's Brass Tacks Team identified loans and bonds available for refinancing during a five-year proposed start-up period. The model also projects that in five years the bank could reduce the City's annual debt service costs by \$1.3 million, reduce total City debt by \$4.8 million and produce a \$10.5 million dollar profit to benefit the public.

October 26, 2016

Councilor Renee Villarreal introduced a resolution to create a Task Force that will take the *"next and final steps to determine whether to establish a Public Bank for the City of Santa Fe."* Councilors Joe Maestas and Carmichael Dominguez, who also chairs the Governing Body's Finance Committee, joined the resolution as cosponsors at the time of its introduction. The resolution calls for a nine-member task force, appointed by the Mayor and approved by the Council within 30 days of the resolution's passage. The Task Force, which will deliberate no more than six months, will include a member of the Council's Finance Committee; the City's Finance Director or his representative; three members with local professional banking or financial experience (from a community bank, credit union and a CDFI); one with legal experience in New Mexico banking; one with state or federal banking regulatory experience; and two members from the public at large who support a public bank.